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The Agricultural Business Management Program: Lessons Learned at Oregon State University

Patricia J. Lindsey and Michael V. Martin

Abstract: This study argues that the uniqueness of the agricultural industry justifies the development of agribusiness as an alternative degree major within traditional agricultural economics departments. Successful curricula must focus on elements of decision making that are unique to agricultural business industries. In particular, agribusiness programs should complement and not duplicate the curricula offered by business schools. Special characteristics of agriculture were identified and presented as the conceptual framework for agribusiness programs. Using Oregon State University as a case study, the analysis examines in depth the experiences and lessons learned from its implementation of agribusiness management programs.

Keywords and Phrases: Agribusiness education, Agribusiness management, Undergraduate curriculum, Agricultural industry.

Agribusiness management degree programs have been around for a long time. Harvard University initiated its program in 1956. The 1980s saw a proliferation of such programs as agribusiness employment opportunities expanded and universities sought new ways to serve students. New programs continue to be developed and existing programs are periodically updated. A 1991 Farm Foundation symposium, "Agribusiness Education in Transition: Setting Directions for Global Competitiveness," focused on expected future growth in demand for agribusiness management programs at both the undergraduate and graduate levels. Representatives from business and academia agreed that the need for agribusiness education will grow through the decade of the 1990s.

Robbins and Biere initiated a necessary debate over the appropriateness of agribusiness curricula in the graduate programs of traditional agricultural economics departments. Robbins argued that, for political as well as academic reasons, departments "not only should, but must, expand into a stronger agribusiness orientation..." (p. 127). Robbins placed special emphasis on the ability of agricultural economists to integrate applied research experience into graduate programs and reminded us of our profession's roots in farm and ranch management.

Biere cautioned that adding another product to the multiproduct package currently provided by agricultural economics departments could further stress already overutilized teaching resources. Moreover, he argued that economics is important to business but not a substitute for specific training in management. As agricultural economists, we should, Biere suggested, maintain our commitment to economics rather than shifting focus to business administration.

Snodgrass and French, in early contributions to the discussion, each provided guidance on how to best integrate internships and "real world" experience into agribusiness curricula. A decade later, French, Niles and Westgren provided an insightful discussion of the business school approach to agribusiness instruction and curriculum design.

In many states higher education budgets are being trimmed, with consequent elimination of duplicative programs. In times of budget austerity, a program's success or popularity may not be sufficient grounds for its retention if the educational objectives can otherwise be met. With this in mind we revisited the questions, "What characteristics of agriculture justify the special attention given to it in the university curriculum; in particular a separate agricultural business management program?" and "Where do agricultural economists fit into that curriculum?" In a recent discussion of agribusiness education White referred to the "unique features of the food and fiber sector" (p. 16), but did not develop the argument.

The objectives of this paper are twofold. First, we review the special characteristics of agriculture and agribusiness which differentiate agricultural business decision making and its analysis from other types of businesses. We draw on the agricultural economics literature in identifying these characteristics and follow it with a short discussion of the implications for the education of agribusiness students. Second, we present a case study focusing on the evaluation of the agricultural business management program at Oregon State University in terms of its design, implementation and lessons learned.

Special Characteristics of Agriculture

As agricultural economists, we are generally familiar with arguments supporting agricultural economics as a subdiscipline within economics. The argument for a distinct agribusiness degree has perhaps been given less thought. The principle of comparative advantage suggests that agricultural economists should contribute courses to agribusiness programs based on the agricultural economics dimensions of agribusiness. Seven sets of agricultural characteristics relevant to such degree programs are identified below.

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They represent the course content departments of agricultural economics can bring to agribusiness management degrees.

Culture, Society and Policy. Agriculture holds a unique and important place in the cultural milieu of virtually every society, with several ramifications for agribusiness.

- 1. Most nations, through their governments, attempt to attain some degree of food self-sufficiency. Consequently, almost every country in the world practices one or more type of food or agricultural policy intervention (McCalla and Josling). Even urbanized entities such as Hong Kong and Singapore have policies that, in one way or another, influence the food distribution and consumption system. The recent General Agreement on Tariffs and Trade (GATT) negotiations illustrate how tenaciously governments defend protectionist agricultural policies.
- Agriculture, an important component of the economic structure and national security in many countries, has a strong political constituency. Even in countries such as the United States, in which agriculturally-related employment no longer dominates, the agricultural sector remains politically influential.
- 3. Agriculture and food embody a wide range of cultural characteristics and customs in many societies and, in some instances, have religious significance (Senauer, Asp and Kinsey).

As a consequence, political, social and cultural factors may frequently be as important as market factors in determining the environment for decision making. Agribusiness decision makers must take into account sectoral and macroeconomic policies—and the possibility their actions may in turn affect those policies—when making choices.

Specialized Resources. Agriculture requires the use of precious, often scarce, natural resources. The ownership and management of land and water are controversial and emotional issues in almost every society in the world. As Breimyer points out,

land enters deeply into secular institutions...in all agrarian societies the rules governing access to land and division of its bounty go far to account for both the family structure and prevailing economic system (p. 10).

Urban expansion is heightening conflicts over these resources. Restrictions regarding their use and transferability are often imposed and can be changed

abruptly. Such restrictions and uncertainties alter agribusiness decision making more than most other business sectors.

Marketing Problems. Agricultural products are difficult to trade and market for several reasons well known to agricultural economists.

- 1. The combination of spatial and temporal separation of production from consumption, low value-to-bulk ratio and perishability creates unusual challenges for efficient distribution and marketing (Kohls and Uhl).
- 2. Perishability, regardless of bulk or value, necessitates special care and handling and significantly influences pricing decisions and price dynamics in ways that are atypical for nonperishable goods (Tomek and Robinson, chaps. 8 and 9).
- 3. The temporal mismatch between agricultural production and consumption patterns creates a need for special coordination and management techniques.

Futures markets and forward contracting arrangements improve market coordination for some major agricultural commodities, while methods of managing carryovers or inventories for perishable products between production periods must be developed and maintained. This is an ongoing technical challenge as new information regarding possible health and environmental consequences of prevailing preservation and storage technologies alters their acceptability by regulatory agencies and the public (Senauer, Asp and Kinsey).

Biologically-Related Risk and Uncertainty. The influence of natural and biological events on agricultural commodity production adds significant risks and uncertainties to the production planning and marketing processes. Not only do such events affect yields and thus output, they can affect demand significantly also. Breimyer; Tweeten (1979 and 1989); and Tomek and Robinson among others, discuss the linkages between biology, climate and agricultural instability in the context of economics and markets.

Complex Economic Relationships. It is common for those not familiar with agriculture to refer to it as a single homogenous production sector, failing to recognize many critically important characteristics that affect business decision making. As agricultural economists know, the sector is comprised of a combination of a complex set of production and marketing systems and market and nonmarket relationships. It is often characterized by simultaneous internal competition and complementarity. Such elements complicate the decision process in the agrifood industry and its analysis.

Elaborating on this point from a policy perspective, Tangermann (McCalla and Josling) states:

Changing market conditions for one commodity can have significant influences on other agricultural products. It is therefore the rule, not the exception, that policies targeted at one commodity market have side effects on other markets (p. xiv).

Distinctive Market Structures. A set of distinctive market structures characterize agricultural and food products, importantly affecting decision making for many agricultural businesses (Goodwin and Drummond; Beierlein and Woolverton; Kohls and Uhl). Included among these are auction, commodity and futures markets and the suspension of certain antitrust statutes to allow government sanctioned collusion for some, but not all, market segments. Added to this is the concentration of some parts of the food industry and the interface between those parts with the competitive segments. As Breimyer points out,

American farmers have long seen themselves as Lilliputians in a land of Brobdignagians....Agriculture still consists chiefly of small units, and it contrasts sharply with the industrial world that surrounds it (p. 54).

Unique Institutions. In the United States, as in many other countries, agriculture has its own set of financial institutions and forms of business organization as exemplified by the Farm Credit System, the Farmers Home Administration and marketing and supply cooperatives. The latter, of course, are afforded preferential treatment under several types of government regulation. Consequently, many "normal" business principles do not apply (Kohls and Uhl; Beierlein and Woolverton).

While it is true that the same functions are served for other industries in the private sector and there is increasing competition from outside the agrifood establishment for provision of some of the services, the specialized infrastructure remains. Where the services are sponsored or mandated by federal and state governments, the conditions of their provision are not necessarily dictated by the same market forces in operation elsewhere in the economy and overtly political considerations may play a greater role. For example, an appreciation for Europe's Common Agricultural Policy is critical for anyone involved in agrifood trading relationships with member countries.

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Role in Shaping Agribusiness Curricula

These and other factors may well give rise to conduct not easily explained by simple profit maximizing criteria or by standard assumptions regarding consumer behavior. Agricultural students aware of some of these considerations often have difficulty reconciling their knowledge within a traditional business curriculum. By contrast, these factors figure prominently in the courses offered through agricultural economics departments and are woven throughout the standard textbooks, while the specificity of many of the problems faced by agricultural business argues against their emphasis in related business courses and texts.

The development of suitable frameworks for analysis and decision making form a logical part of the core of agribusiness course work and may or may not be available in other departments. Quantitative methods used in business decision making are standard and can be learned as easily in a business class as elsewhere. But the art comes in knowing which assumptions to make for each specific application and which technique is appropriate. We believe an appreciation for the relevant economic considerations is crucial to practicing the art of business decision making. Understanding the role, operation and politics of the institutions peculiar to agriculture is thus an essential element of an agribusiness education.

To take one example, in the subject area of markets and marketing a combination of agriculture-specific markets courses with business marketing and microeconomics courses may well be an efficient allocation of student and faculty time and resources. The gains from the inclusion of the agricultural component go beyond just exposure to subject matter. For example, in teaching agribusiness students about markets and price analysis, we find they raise questions about the market structures characteristic of particular agricultural industries. The ensuing class discussions make use of the collective (and sometimes conflicting) knowledge of the class members and the instructor and are fueled by the students' level of interest in addressing these questions. All this suggests that departments of agricultural economics have an important role to play in agribusiness management programs in collaboration with standard business management programs.

The Experience at Oregon State University

In the current climate of budget austerity, coupled with demands that state colleges and universities improve their service to the public, we undertook a review of the undergraduate Agricultural Business Management program at Oregon State University (OSU). The characteristics outlined above were used in developing this program and in joining the relationship

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between the College of Agricultural Sciences (CAS) and the College of Business (COB). Some of the key findings, program elements, history and evolution at OSU's program are presented here as a case study.

Background. OSU's Department of Agricultural and Resource Economics (AREc) formally launched its Agricultural Business Management (ABM) degree program in 1985 following three years of discussion and development. The ABM was an add-on rather than a replacement for the traditional B.S. degree in agricultural and resource economics. It evolved from an "emphasis option" offered under the standard degree.

The AREc department was motivated by two interrelated factors. College administrators, among others, believed the ABM degree would better match the expectations of the employers of AREc's graduates and would fill an unmet need. The "career orientation" of the ABM degree was expected to make recruiting easier. This, in turn, would bolster student numbers in AREc and in the CAS. The cost of degree design was underwritten by the CAS dean's office, but additional faculty resources were not made available except to support its establishment on a second campus.¹

Performance. The extent to which this "free lunch" strategy has worked is difficult to assess from the available data. The number of (combined) majors on the OSU campus fluctuates from year to year, but has averaged 101 during the eight years since the launching of the ABM program versus an average of 96 during the previous five years. By this measure the ABM program was neither a bonanza nor a disaster. Yet it may have supported relatively stable enrollments in the face of downward pressures. For example, the downward trend in such degrees awarded nationwide during the latter half of the 1980s (1991/1992 Degrees Awarded and Placement for Agriculture and Natural Resources) was mirrored in CAS degrees awarded at OSU, but was not reflected in our department's enrollment after 1988 when the first big wave of ABM majors graduated.

We first speculated that we were getting a spillover effect from the popularity of business degrees, but the number of business students at OSU has dropped by more than one-third since 1989. At the university level, a 68 percent hike in tuition is held responsible for a 12 percent drop in undergraduate enrollments and a shift toward community college transfers over the past four years. Our department is experiencing the latter change without the former. It is conceivable but not provable that the ABM major is at least partially responsible for our stability in the face of adversity.

Our students typically come from farm or other rural backgrounds. Recruiters from the CAS dean's office tell us it is relatively easy to recruit these students into an "Agricultural Business Management" degree program as compared with an "Agricultural and Resource Economics" program.

Once they arrive on campus and get involved in course work, many of our students transfer from the ABM to the AREc program. As a consequence, we generally have more ABM majors yet consistently graduate more AREc majors.

Prospective employers appear to make no distinction between the two degrees. There are cases in which the student's choice of a minor will qualify him or her for a particular job. Those of our students who look for jobs find them, generally within a reasonable amount of time. Some return to family businesses and a few go on to graduate school. We have been unable to discern any difference in the types of jobs taken by graduates from the two degree programs and have no evidence the degree choice is serving as a signal to employers. Our students typically remain in the state after graduation, with a very few venturing to neighboring states for employment. So while the program could be considered successful in terms of the employability of its graduates, it is neither more so nor less so than is our other degree program.

Curriculum Design. As originally designed, the ABM degree had three features that distinguished it from our traditional degree. First, it drew heavily on course work offered in the College of Business (COB). As suggested earlier, every effort was made to take advantage of the unique strengths of the College of Agricultural Sciences (CAS) and COB course—work. Second, it required that all ABM majors take a technical minor in another CAS department to ensure that students without a farm background have some exposure to production agriculture. Third, there was an internship requirement for all ABM students. The expectation was that students would meet this requirement between their junior and senior years.

The present ABM degree program (Table 1) has evolved over the past eight years without an infusion of programmatic resources. A review of some general lessons learned at OSU may prove instructional to other departments as they introduce and improve agribusiness programs.

Lessons

Integration of Course Work. The original ABM curriculum was drawn "smorgasbord" fashion from existing courses offered on campus, with no new or significantly modified courses. This was dictated by both resource constraints and faculty skepticism about the new program. As a result there was little true integration of courses into a singular programmatic focus. Duplication occurred in some areas (e.g., marketing and finance) while gaps appeared in others (e.g., personnel management and cost accounting).

Table 1.

Agricultural Business Management Program at Oregon State University

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400-Level Courses	Seminar (AREc)	Agricultural Policy (AREc)	Internship or Projects (AREc)	Two of the following:	Adv. Farm Mgmt. (AREc) Ag. Financial Mgmt. (AREc)	Ag. Bus. Mgmt. (AREc)			· 6
300-Level Courses	Writing (WR)	Int. Micro (EC/AREc)	Nat. Res. Mgmt. or Nat. Res. & Env. Policy (AREc)	Stat. Methods I (STAT)	Stat. Methods II (STAT) or Econometrics (EC)	Seminar (AREc)	Organizational Behavior (BA)	Finance (BA)	Ag. Mkts. (AREc)
200-Level Courses	Principles - Micro (EC)	Principles - Macro (EC)	Calculus for Mgmt./Soc. Sci. (MTH)	Mgmt. in Ag. (AREc)	Mktg. in Ag. (AREc)	Fund. of Acctg. (AREc)	Business Law (AREc)		
100-Level Courses	AREc Orientation (AREc)	College Algebra (MTH)						٠. (مُرْمَى	

Notes:

- 1. Oregon State University is on a quarter system.
- The department offering the course is indicated in parentheses: AREc = Agricultural and Resource Economics; BA = Business Administration; EC = Economics; MTH = Mathematics; STAT = Statistics; WR = Writing.
- ABM students are also required to have a minor within the College of Agricultural Sciences or be approved by the AREc Department and the college. Fulfilling the university baccalaureate core requirements and electives complete the degree program.
- The AREc faculty have approved, in principle, including an explicitly international component, but this change has yet to be implemented.

While the COB administration cooperated with the initiation of the ABM degree, the college has never been a true partner. A few COB faculty members were openly hostile to the introduction of the ABM degree by the CAS, believing it duplicated the COB management degree (with an agricultural minor). This further exacerbated the integration problem. Even now the COB plays only a peripheral role in student advising, curriculum revision and employer relations.

Clearly a more integrated approach to program development and implementation is highly desirable. In doing so, each academic unit expected to contribute to a new program curriculum needs to understand how its course or courses relate(s) to the program's educational objectives. While this imposes considerable front-end costs, we believe it to be worthwhile and cost effective in the long run.

An ABM minor is also offered by the AREc department. It has been very attractive to majors in the CAS technical departments. It provides students with a modest but meaningful exposure to business—economic principles and concepts. In retrospect it may have been better to start with the minor and build it into a major rather than introducing them simultaneously.

Continued Involvement by the Agribusiness Community. A committee of agribusiness leaders participated in the initial development of the ABM degree. However, there has been no systematic follow-up with these business leaders/employers. Our knowledge of business reaction to the program and its graduates is purely anecdotal. Yet, as the program has matured, a cadre of alumni have become involved. Alumni from the early years now help arrange internships and assist with job placements. An ABM scholarship has also been sponsored by an alumnus' business. This has come about informally. We suspect a more structured approach for organizing and involving alumni and employers would enhance their contributions to the program and help keep it dynamic.

Our department recently set up its first external advisory group. Included in this group are four departmental alumni, including one from the period when the ABM program was in its inception. Two run successful, innovative agricultural businesses in the state, another works for a natural resource agency and the fourth directs the state's department of agriculture. Although not a complete solution, we believe it is a first step toward gaining the needed ongoing interaction with the public served by this degree.

Full Faculty Ownership. At OSU-Corvallis, the undergraduate program has been the province of a small subset of the department's faculty. Introduction of the ABM degree imposed an unequal burden on department members. It also exacerbated an already weak advising structure by

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increasing the knowledge needed to competently advise students.² At present the ABM program still suffers from a lack of ownership by the faculty as a whole. It also has an additional handicap: none of our faculty were trained in agribusiness or hired to support the program. Further, three of the ABM program's original champions have left the department and have not been replaced by similarly enthusiastic faculty.

Though no longer controversial, the ABM program may suffer from benign neglect as it enters its ninth year. Had there been widespread departmental ownership we suspect needed programmatic adjustments would have been made more quickly, resulting in a stronger degree program. In contrast, the AREc faculty members located at the Eastern Oregon State College (EOSC) campus are fully and completely engaged in undergraduate instruction and were hired to teach in the ABM program. This has fostered greater integration, cooperation and enthusiasm for the ABM degree at EOSC-La Grande than at OSU-Corvallis.

Successes in Time. The ABM degree immediately attracted students. Early on, however, many of the new majors were students who switched from the AREc degree or transferred from the COB. This is no longer the case. Now a majority of our freshman and transfer students enter as ABM majors. Still, the only significant net gain in students occurred in La Grande. Students in the La Grande region interested in agribusiness management often had sought degrees in nearby states prior to the establishment of the satellite program. Its availability has enabled many of them to stay in state without sacrificing their educational objectives.

Scheduling. The internship, while still viewed as an important educational experience, has imposed a hardship on some students. Many cannot afford to do an unpaid internship during the summer (and in some cases, at any time). Pursuit of an internship during the academic year frequently conflicts with limited offerings of required courses. On both campuses this requirement is felt to be the overriding reason why many of the ABM majors switch to the traditional major. In recognition of this roadblock, the faculty has endorsed the offering of a project option for ABM students unable to take advantage of the internship. There is no doubt about the value of the internship experience; we simply can not afford to limit the program to the financially privileged and/or to those few able to obtain a meaningfully paid internship.

Also, the technical minors were developed by each department from their existing courses. Many of these courses have prerequisites that further exacerbate scheduling difficulties. This problem has yet to be resolved. Some ABM students end up taking courses without having had the prerequisites while others sacrifice flexibility. Still others switch to the AREc major

in order to avoid the technical minor. The faculty have recently adopted a policy that relaxes the technical minor requirement on a case-by-case basis. With departmental and college approval, this new policy allows for other natural resource or related minors outside the CAS.

Program Definition. The differences between the ABM and the traditional AREc degree were not clearly delineated until the most recent round of program revisions. In general, the ABM major would take more business and less economics than the AREc major. However, the department failed to clearly articulate for whom each program was designed and what the educational objectives were. Thus, it is not surprising that students frequently switch between the two degrees while rarely transferring to another department and that employers generally do not distinguish between the two sets of graduates.

In retrospect, we can see that more attention to program definition could have aided the program development in several ways. First, clearly defined educational objectives would help with appropriate curriculum design. Second, more precise program definition could help recruit the right students into each program at the outset, adding to a sense of community within each major. Third, advising guidelines and course design should recognize the distinct characteristics of the two separate degrees and the populations of students each is intended to serve. Fourth, a major effort to communicate the special features of the ABM program to employers should improve placement and enhance industry participation in ongoing curriculum refinement.

Costs and Benefits

As indicated previously, OSU followed a low cost strategy for implementing its ABM degree program. Due in large measure to the curriculum design, there was no pressing need for additional courses to support the ABM program. One existing course in managerial economics was modified to some extent and retitled "Agricultural Business Management." Also, the internship requirement necessitated offering internship credits and naming a coordinator. All of the remaining courses in the curriculum were already offered elsewhere on campus. Thus, most of the costs were front-end costs in designing the curriculum and setting up relationships with other departments. These costs were underwritten by the CAS dean's office. The ongoing marginal costs come in the form of advising and administration and most of these functions are handled by a part-time advising special-ist/internship coordinator. Some fraction of her salary can properly be counted as a cost of the second major.³ Fears expressed initially by some

faculty members that the addition of the second major would unduly increase faculty workloads have been allayed.

At the same time, our assessment suggests that the benefits have not been as high as might be expected under more ideal circumstances. The ABM major serves the needs of the college reasonably well. It provides CAS student recruiters with an additional program that draws interested students. Our combined graduation rate is quite high by CAS and university standards, which suggests that the right students are being recruited and that their goals of seeking college education are being fulfilled. While we have not experienced a big expansion in student numbers, we have enjoyed stable enrollments in the face of declines elsewhere. The new degree has met with acceptance from employers in the state. The ABM students are better trained to apply business management and economics principles to the agricultural business world than those who pursued the traditional major supplemented by business and technical minors.

Biere's cautions regarding the addition of an agribusiness master's degree to an agricultural economics department's existing curriculum could be similarly extended to an undergraduate degree. Our experiences at OSU, however, do not seem to support his arguments. We have shown no evidence that our teaching resources were overutilized or overcommitted. By design, we supplement the existing economics and farm management courses with courses offered by the College of Business. Therefore, the ABM students are able to receive training in business management without a significant reorientation within our department. Overall, there is no question the benefits outweigh the costs. For a relatively small cost, we have maintained student enrollments and improved service to the college, to the state and to the students with the addition of an ABM major at the undergraduate level.

Conclusion

Clearly, the set of agricultural industry characteristics we outlined is neither inclusive nor exhaustive. Yet it has demonstrated sufficiently that the agricultural business environment is qualitatively different from other economic sectors and that training within the context of the institutional peculiarities of agriculture does serve a worthwhile purpose. Given these special characteristics of agriculture, we contend that agricultural economics departments are in a unique position to capitalize on a comparative advantage in resources allocation by offering an additional degree major in agribusiness.

Course work and internship programs must be built upon a complementary relationship with basic management, marketing, planning and finance courses offered in business schools. In this environment, the students are best afforded the opportunities to obtain the skills and learn the strategies used by business owners, operators and managers in general. Such complementarity is analogous to the familiar relationships many of our departments have with economics departments in conjunction with agricultural economics degree programs. The objective in both cases is to avoid duplicating subject matter or approaches and to provide within the department an appreciation for the unique challenges presented in agriculturally-related businesses and markets.

While the orientation of many business schools toward large corporations may be appropriate for a career with Pepsico or Beatrice, it nevertheless accords insufficient attention to the concerns of owner-operators in smaller agrifood businesses. At the same time, students coming from farm backgrounds, as do many of our students, need to gain an appreciation for the place of production agriculture within the agrifood industry and the place of the agrifood industry within the larger economy and society. The provincial notions with which our students typically come armed may in fact be reinforced rather than dispelled by a curriculum that overlooks agriculture. By ignoring or overgeneralizing the differences, it also fails to highlight the similarities among agriculturally-based and other industries.

As agricultural economics departments face tight budgets, they will likely be required to demonstrate that their programs are complementary rather than duplicative and that they serve the needs of the state that supports them. It is within this context that we re-examined our agricultural business management program. Avoiding duplication and building integrated programs across colleges and departments are indications of sound fiscal management as well as progressive educational design.

In the case of OSU's ABM program, resource constraints dictated we pursue a cost minimization strategy from the outset. Our experiences and evaluations suggest this did not result in a truly ideal program. Yet, over time, we have learned some lessons and continue to make adjustments that improve the program. What we have achieved is a respectable ABM degree program that serves the needs of the College of Agricultural Sciences, the students and the agricultural business community reasonably well without placing an undue burden on our limited departmental resources.

Notes

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- 1. OSU set up a satellite faculty of agricultural sciences at EOSC, some 340 miles east of Corvallis. The AREc Department has two faculty members located at La Grande. The ABM major was the initial offering, with the traditional major added later.
- 2. The advising problems were addressed by hiring an undergraduate advising specialist. This system has worked well for both the students and the other faculty members and has eliminated any advising biases that may have worked against the ABM students during the program's first four years.
- 3. One could argue that without the second major the department might not have gone to the advising specialist system, in which case her salary would need to be weighed against the opportunity costs of the faculty time previously devoted to undergraduate advising.
- 4. Indeed, separate programs in hotel and restaurant management serve as an example of another industry with characteristics that render it sufficiently different to warrant special attention.

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